Environmentally Preferable Purchasing How-To Guide

What is environmentally preferable purchasing?

Environmentally preferable purchasing (EPP) is the act of purchasing products/services whose environmental impacts have been considered and found to be less damaging to the environment and human health when compared to competing products/services. EPP also includes the gradual and ongoing process in which a hospital continually refines and expands the scope of its efforts to select environmentally sound, healthy and safe products and services. A hospital's choice to implement EPP is an important part of a larger system of a hospital's practices that support the integrity of both business and environmental decisions. EPP may be as simple as buying recycled paper or as complex as considering the environmental impact of a product at each stage of its life, from when it is manufactured to when it is disposed of as waste.

What are the benefits of EPP?

By carefully selecting goods and services, hospitals can:

- reduce costs due to lower overhead, avoid waste disposal, liability or occupational health costs
- take advantage of positive publicity and promotion potential
- significantly improve their impact on the overall quality of the environment
- provide a healthier environment for patients, workers and employees through reduced exposure to cleaners, solvents, paints, and other hazardous materials.

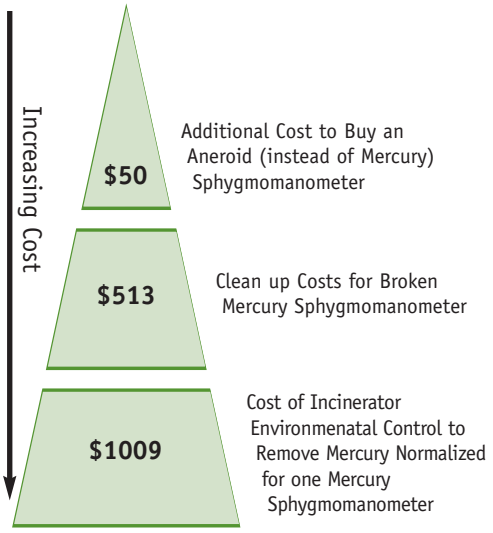
Why is the purchasing stage so important?

Purchasing departments are the central control point for nearly every product or service procured by the hospital. This is where the money is transferred from hospital to vendor and where contracts are developed. It is at this stage that leverage can best be applied to the vendors, making it an effective place to implement actions that reduce environmental impact.

Why is it less costly to make improvements at the point of purchase?

Correcting a problem close to its source is less costly than taking action downstream. Downstream corrections require a greater degree of technical complexity and labor to correct and often result in adverse publicity. A hospital that tries to save money by overlooking the environmental aspects of a product during the purchasing stage is likely to incur much greater expenses later on.

How Costs Increase the Further Downstream a Problem is Addressed



Reference: Mercury Elimination and Reduction Challenge (MERC), "Mercury in the Health Care Sector: The Cost of Alternative Products," November, 1996, pp 1424

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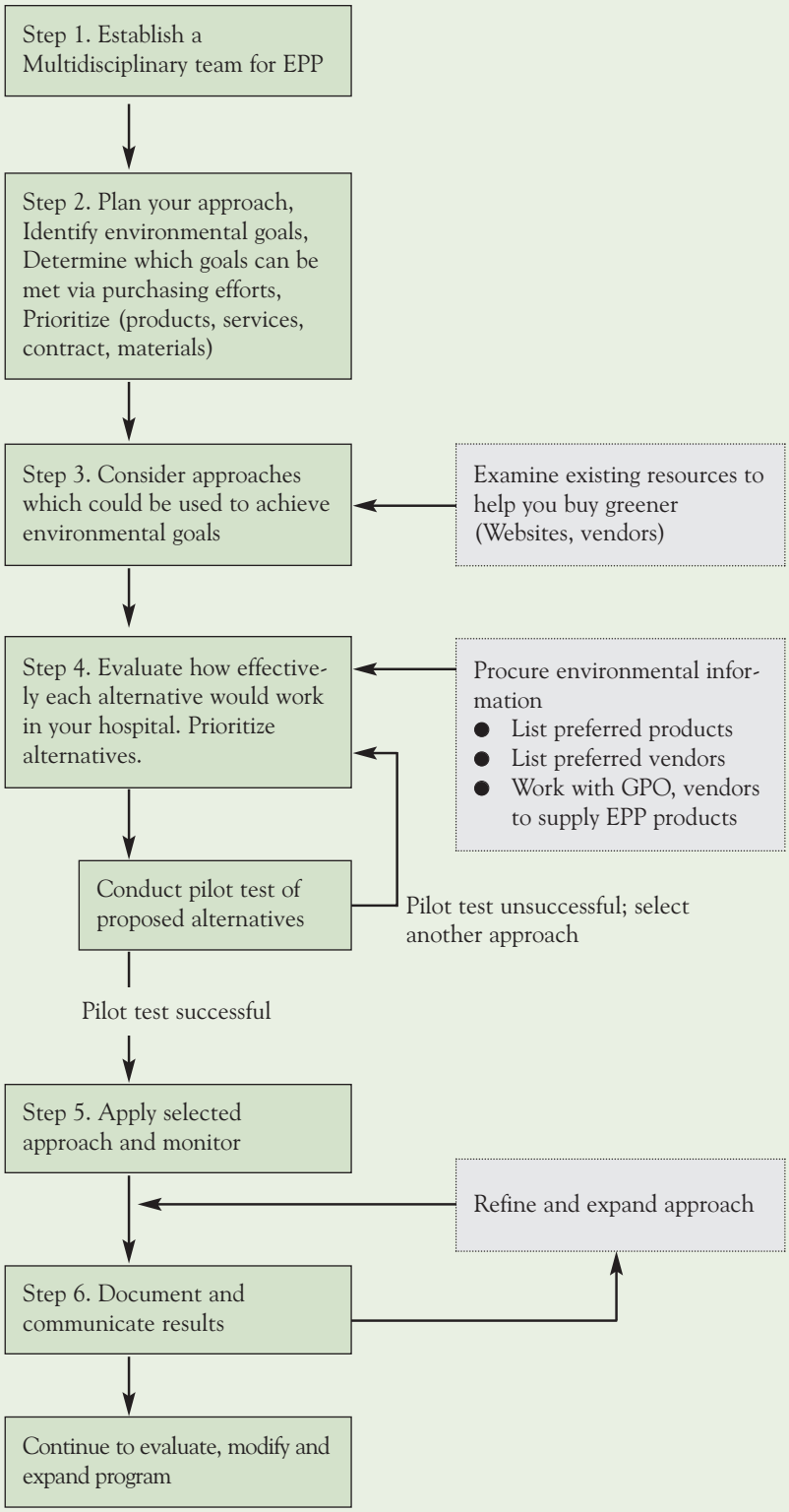
Flowchart from the *Hospitals for a Healthy Environment Environmentally Preferable Purchasing "How To" Guide*



Setting up the Environmentally Preferable Purchasing (EPP) team

An EPP team is comprised of hospital professionals from different areas working together to foster a new purchasing culture. This team should coordinate its activities with the facility-wide environmental team and the product review committee(s). The leader of the team should be someone whose administrative responsibilities include ensuring that the EPP Project is fully implemented.

Why is an EPP team necessary?

The diverse perspectives of members from various departments can challenge current practices and promote innovative solutions. A team can work together to create pilot projects and provide effective solutions to obstacles. If each department is part of the process, there will be greater buy-in to changes in practices and products. A dedicated team can also motivate the purchasing and other departments to implement environmentally preferable purchasing. The facility-wide environmental team is looking at the whole picture, and may not have the resources to implement environmentally preferable purchasing without the assistance of a dedicated EPP team. Some hospitals may find that the product review committee or the facility-wide environmental team are sufficiently interested in EPP that a separate EPP team is not necessary.

The team should include:

- representation from all relevant departments
- someone with management responsibility
- people with a passion for and understanding of the ecological focus of the team

Membership can include representation from:

- Central Services
- Clinical Staff
- Communication/Public Relations
- Environmental (Ecology) Team
- Environmental Services
- Facilities Operations (physical plant, operations, logistics, and security)
- Financial Services (Accounting)
- Food Services
- Group Purchasing Organization (GPO)
- Infection Control
- Laboratory services
- Materials Management (purchasing, contracting and distribution services)
- Prime Distributor
- Risk/Safety Management
- Waste Management / Housekeeping

Determining goals and objectives of the EPP team

1. Consult with facility environmental team to determine which EPP goals might fulfill the main environmental goals of the institution.

2. Review pressing environmental concerns of the hospital and available resources so that the committee can be informed when deciding on goals.

3. Decide on environmentally preferable purchasing goals that are specific, measurable, and can be completed in a specific time period. For example:

- Increase purchase of recyclables or reusables by 30% by the next fiscal year.
- Reduce packaging waste or total solid waste by 20% in 12 months.
- Reduce energy or water use by 10% every six months for 5 years.
- Reduce purchase of products that become hazardous waste by 10% in the next contract.
- Reduce purchase of mercury-containing products by 80% by next year.

Actions to implement environmentally preferable purchasing

1. Request support for EPP goals from top management in the form of a policy statement, RFP language, job descriptions, or other support.

2. Develop policies and procedures to ensure the implementation of the environmentally preferable purchasing practices:

- Determine in writing who is responsible for ensuring that policies are followed and how they will be held responsible (for instance, through periodic reporting).
- Develop an audit process so that performance is periodically reviewed. The audit process should incorporate a system for the celebration and duplication of successes, and the recognition and rectification of projects or products that did not work.
- Determine in writing who is responsible for the audit process.

3. Using the measurable goals determined above, choose a small, manageable pilot project. For example:

- Replace mercury sphygmomanometers with aneroid equipment in one department.
- Work with histology lab to find mercury-free replacement for a specific reagent in a specific process.
- Include environmental criteria, such as battery recycling or energy efficiency, in next major equipment or service solicitation.

4. Develop an implementation timeline.

- The timeline should be realistic and allow time for research and evaluation of alternatives, education of affected parties, and continuous evaluation of pilot.
- Be creative when deciding on method to achieve goals. Reducing hazardous waste from the histology lab could involve changes in practice (not using more solvent than necessary), capital equipment expenditures (buying an autoanalyzer that uses microamounts), or procedure (switching to a less toxic fixative). Involve the workers from that department in soliciting ideas for how to meet the goal.
- Continuous evaluation should be part of any EPP program. Set in place mechanisms for obtaining continuous feedback from employees and product users, evaluating that feedback and using it to improve the program or a specific product.
- Create a tracking system.

5. Determine educational needs to implement EPP. Education is a critical part of implementation. The EPP team should consult with the inservice training department to discuss educational needs, such as education of:

- purchasers and users on the need for EPP;
- top management on what support is needed to implement EPP;
- how new products/practices will be evaluated and what feedback is desired;
- how employees are to use the new product;
- other affected parties;
- new employees at orientation; and
- vendors, manufacturers, distributors, and GPO.

Implementation of specific goal/pilot project:

1. Implementation:

- If goal involves replacement or focus on specific product, work with product selection committee or standardization committee in hospital and GPO to determine process (for instance, writing environmental specifications for RFP).
- Determine and publicize timeline for implementation of specific goal.
- Determine who is responsible for ensuring timeline and goals are met.
- Determine educational needs to implement EPP project. Create a written plan for education of affected parties regarding implementation of this particular project, including who is responsible for the education.
- Implement purchase.

2. Continual Improvement:

- Determine if measurable goal was met.
- Request feedback from affected parties.
- Review process.
- Incorporate feedback into action plan for next project or improvement of this one.
- Keep records and track progress.

3. If Goal Was Successfully Met:

- Publicize success to hospital and wider community.
- Assess possibility of expansion of pilot project or determine next specific goal.
- To determine next specific project, consider introducing additional environmental considerations, raising the measurable goal, or expanding the program.
- Track and report on progress.

4. If Goal Was Not Met:

- Do not be discouraged!
- Determine the causes of not meeting the goal.
- Brainstorm on how to correct the shortcoming, move forward and be creative!
- Choose an interim goal or pilot project to implement to get back on track.
- Move forward on the new goal or pilot project.

Additional resources

Lists of resources, a detailed EPP education matrix, flow chart of actions, links to specifications, discussion of related issues, suggestions for troubleshooting, and more details on EPP are available at http://h2e.ashes.org.

This is a product of the Environmentally Preferable Purchasing workgroup of Hospitals for Healthy Environment, a cooperative project between the US EPA and the American Hospital Association: Lara Sutherland (Massachusetts Office of Technical Assistance), Christopher Kent (US EPA), Catherine Galligan (University of Massachusetts-Lowell Sustainable Hospitals Project), Tim Washburn (Catholic Healthcare West), Kinley Deller (King County Solid Waste), Patrick Eagan (University of Wisconsin-Madison), Timonie Hood (US EPA Region 9), Glen Macri (Becton Dickinson), Layne Nelson (Minnesota Department of Administration), Russ Sylvester (Premier, Inc.), Joan Roberts (Novation), John Mateka (Memorial Regional Hospital), Sidney Pittman (Halifax Medical Center), Wayne Warren (Veterans Administration).

Health Care Without Harm
1755 S Street, NW
Suite 6B
Washington, DC 20009
Phone: 202.234.0091
Fax: 202.234.9121
www.noharm.org
info@hcwh.org

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